

**City of Reading City Council
Regular Meeting
October 24, 2016**

Council President Waltman called the meeting to order.

The invocation was given by Pastor Catherine Feil, Nativity Lutheran Church.

All present pledged to the flag.

ATTENDANCE

Council President J. Waltman

Councilor Daubert, District 1

Councilor Goodman-Hinnershitz, District 2

Councilor Twyman, District 3

Councilor Marmarou, District 4

Councilor Reed, District 5

Councilor Slifko, District 6

City Auditor D. Cituk

Solicitor C. Younger

City Clerk L. Kelleher

Mayor W. Scott

Managing Director G. Steckman

There was an executive session on litigation at the Committee of the Whole meeting.

PROCLAMATIONS AND PRESENTATIONS

The following were issued at the meeting:

- Commendation recognizing the 70th Anniversary of Tack's Sandwich Shop
- Commendation recognizing the Olivet Boys & Girls Club's Mentoring and the Arts Program

PUBLIC COMMENT

Council President Waltman stated that there are seven (7) citizens registered to address Council, five (5) on agenda matters and two (2) on non-agenda matters. He inquired if any Councilor objected to suspending the rule requiring non-agenda comment at the end of the meeting. As no one objected the rule was suspended.

Councilor Daubert read the public speaking rules that were adopted by Council.

Carol Riley, of Robeson St., explained her work with the City and School District about ADA needs and projects which left her with the impression that ADA issues are pushed to the back burner. She announced that November is Epilepsy Month and suggested that everyone educate themselves about this disease.

Ann Marie Wolff, of Franklin St., noted that the repair work to the ADA curb ramps sometimes creates unsafe conditions for handicapped individuals. She noted that the orange cones used impairs the travel of wheelchairs.

Ed Terrell, of Franklin St., thanked the administration for allowing the Penn Street curbs to be painted between 2nd and 7th Streets. He stated that he appreciates the administration's willingness to listen to his plan. He expressed the belief that the DID is a waste of money as they have no ability to bring about creative change. He expressed the belief that RAWA has been problematic for years and he suggested that RAWA should be renamed the Water Department so it can be City controlled. He stated that his time in the City is growing thin.

Ryan Helm, of Bernville, asked Council to carefully consider the WWTP project before approving the contracts. He noted that the project went out for bid three (3) times, the last without the PLA (Project Labor Agreement), which only came in 3.9% lower than the 2nd bid. He noted that the original estimate for the project was \$109M; however, the previous bid costs totaling \$137M are 26% over budget. He expressed the belief that the original engineering for the project was faulty. He suggested using local labor for the project and not contractors from outside the area.

Brian McMahon, of Cumru, stated that he attended all three (3) bids and he took issue with the Managing Director's claim about the number of bidders who attended the pre-bid meeting. He also took issue with the Managing Director's claim that the only item missing from the third bid was the PLA. He expressed the belief that the inclusion of a PLA would keep jobs local. He asked Council to vote against the proposed contract as the cost is 26% over budget. He noted prior claims that eliminating the PLA would reduce the cost of the project by 25% were false.

Ed Braukus, of New Philadelphia, asked Council to take a long look at the proposed project and he expressed the belief that the savings could be greater. He expressed the belief that PLAs keep jobs local. He said that while he realizes that a PLA for this project will not occur, he recognizes that the savings predicted were not achieved.

Evelyn Morrison, of Rose St., stated that she was sorry that Mr. Keller's contributions were only recognized with a commendation, as his contributions should have been marked with the dedication of a building or street. She expressed the belief that the proposed budget is a joke and is missing critical information. She stated that it is difficult to understand why some office budgets are increased and she questioned why there IT allocations are made to each

office budget. She expressed the belief that the IT charges may reflect that CD is being underserved by IT. She questioned how the budgetary holes are covered. She also questioned why a person was hired who failed to repay his CD loan.

APPROVAL OF THE AGENDA & MINUTES

Council President Waltman called Council's attention to the agenda for this meeting, including the legislation listed under the Consent Agenda heading, and the minutes from the October 10th Regular Meeting of Council. He noted that there are three (3) additions: Consent Agenda Resolution authorizing the disposition of Purchasing Records, Introduction of New Ordinances Ordinance authorizing the amendment of the Zoning Budget and a Resolution to make an appointment to RAWA. He stated that the two contracts for the WWTP project are being removed from the agenda. The Award of Contract for the collection of BPT, LST and Per Capita will be discussed under the Resolution heading.

Councilor Marmarou moved, seconded by Councilor Goodman-Hinnershitz to approve the minutes from the October 10th Regular Meeting of Council and the agenda, as amended, including the legislation listed under the Consent Agenda heading.

Consent Agenda

A. Resolution 78-2016– authorizing the Solicitor to petition the Court of Common Pleas for the 0.3% Commuter Tax in 2017

B. Award of Contract – to Keystone Collections Group for the collection of LST, Per Capita and BPT

E. Resolution 79-2016 – authorizing the disposition of Purchasing Records

ADMINISTRATIVE REPORT

The mayor announced the creation of a safe zone for Halloween on Washington Street between 8th and 9th Street. He stated that he is coordinating with the School District. He noted that everyone is interested in saving money and he questioned why the union representatives want the WWTP project rebid when they chose not to participate in the last round of bids. He stated that in addition to the elimination of the PLA, language prohibiting change orders was added to the bid documents, which saves money. He expressed the belief that some are looking at the WWTP bid process like an armchair quarterback. He stated that doing a 4th bid would create further delays in the Consent Decree timeline.

The managing director explained that comparing the 2016 proposed budget to the proposed 2017 budget is deceptive in various areas. In the proposed 2016 budget, the mayor's office staff was all but eliminated, then restored and adjusted by City Council and the managing director's office 2017 budget includes a contingency line item to cover unforeseen expenditures. He stated

that the 2017 budget is actually slightly lower than the 2016 budget. He explained that most of the offices within Reading's government provide support, back of house services that allows government to work. He stated that the ADA Curb ramps are being addressed by PennDOT.

AUDITOR'S REPORT

The auditor introduced Chris Turtell, partner from Herbein & Co., to present the 2015 external audit.

Mr. Turtell stated that he met with Council to provide a preview of the audit results last Monday, November 17th. Overall the 2015 external audit provides a clean unmodified opinion. He noted that a change in GASB regulations to require expanded transparency now require the audit to show the pension liability. He stated that the City's \$111M pension liability pales against the \$30M General Fund surplus. He noted that the 2015 audit shows a \$6.9M surplus, included in the previously mentioned \$30M surplus. He stated that the City plans to pay off the unfunded debt obligation which is a good step.

Mr. Turtell stated that the water fund ended with a \$2.6M deficit, the sewer fund ended with a \$12.2M surplus and the trash and recycling fund ended with a \$380K surplus, after settling the recycling truck litigation.

Mr. Turtell noted that the audit provides several findings mostly related to internal control issues. He stated that staff turnover has been a problem in CD and Accounting. However, he noted that the recent hires in the Accounting area have increased the skill levels in the division.

Councilor Goodman-Hinnershitz thanked Mr. Turtell for his report last week as it will allow careful planning to address the pension liability. She also noted the importance of the list of repeat findings.

The mayor noted that prior administrations failed to follow the auditor's recommendations and that this administration will follow the recommendations provided in the audit.

The auditor thanked Mr. Turtell and his staff for their work.

REPORT FROM DEPT. DIRECTORS, BOARDS, AUTHORITIES, & COMMISSIONS

None.

ORDINANCES FOR FINAL PASSAGE

Pending Legislation

Bill No. 2016 – creating the Reading Regional Water Authority *Introduced at the May 23 regular meeting*

Bill No. 2016 - amending the City's Zoning Ordinance, Section 600-800, Districts, Section 600-1203 Conditional Use, Section 600-2100 Telecommunications Towers and Antennas, and Section 600-2206 Telecommunication Definitions ***Introduced at the August 8 regular meeting***

Bill No. 2016 - amending the City Code by adding Chapter 184 Controlled Substance, Drug, Device and Cosmetic making the possession of marijuana a summary offense

A. Bill No. 50-2016 – authorizing the transfer of \$19,000.00 from Solid Waste General Plant Supplies to General Plant Supplies in the Recycling Fund and a transfer of \$5,000.00 from Advertising in Solid Waste fund to General Plant Supplies in the Recycling fund ***Introduced at the October 10 regular meeting***

Councilor Marmarou moved, seconded by Councilor Slifko, to enact Bill No. 50-2016.

Councilor Slifko explained that the amendment will permit the purchase of recycling containers.

Bill No. 50-2016 was amended by the following vote:

Yeas: Daubert, Goodman-Hinnershitz, Marmarou, Reed, Slifko, Twyman, Waltman, President - 7

Nays: None – 0

B. Bill No. 51- 2016 – authorizing the removal of Public Property Foreman and adding the position of Public Property Manager in the Position Ordinance ***Introduced at the October 10 regular meeting***

Councilor Goodman-Hinnershitz moved, seconded by Councilor Reed, to enact Bill No. 51-2016.

The managing director explained that this change will allow the promotion of the employee who is currently undertaking these responsibilities.

Bill No. 51-2016 was amended by the following vote:

Yeas: Daubert, Goodman-Hinnershitz, Marmarou, Reed, Slifko, Twyman, Waltman, President - 7

Nays: None – 0

INTRODUCTION OF NEW ORDINANCES

Councilor Goodman-Hinnershitz read the following ordinances into the record:

PENDING BUDGET LEGISLATION – Introduced 10-14-16

- A. Bill No. 2016** – 2017 Real Estate Tax Rate with no change
- B. Bill No. 2016**– 2017 Commuter Tax Rate of 0.3%
- C. Bill No. 2016**– designating 0.2% of the earned income and net profits tax imposed on City of Reading residents and on non-residents of the City of Reading for the calendar year 2017 for capital improvements
- D. Bill No. 2016** – 2017 Position Ordinance
- E. Bill No. 2016** – 2017 General Fund Budget
- F. Bill No. 2016** – 2017 Capital Budget

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- A. Bill No. 2016** – authorizing the amendment of the Zoning Budget

RESOLUTIONS

<p>Tabled at 9-12 Meeting; Pending Public Hearing and Planning Commission recommendation</p>

<p>Resolution 72-2016– authorizing the City Solicitor to execute the reimbursement agreement in the RAS with No. R16050006 for the Rockland Street Project initiated by the Wyomissing Foundation</p>
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- A. Resolution No. 80-2016**– appointing Ann Sellers to the Environmental Advisory Council (EAC)

Councilor Slifko moved, seconded by Councilor Marmarou, to adopt Resolution No. 80-2016.

Councilors Slifko and Marmarou spoke about the qualifications and experience Ms. Sellers will bring to the EAC.

Resolution No. 80-2016 was adopted by the following vote:

Yeas: Daubert, Goodman-Hinnershitz, Marmarou, Reed, Slifko, Twyman, Waltman,
President - 7
Nays: None – 0

- B. Resolution No. 82-2016**– appointing Steve McCracken to RAWA

Councilor Daubert moved, seconded by Councilor Goodman-Hinnershitz, to adopt Resolution No. 82-2016.

Councilors Goodman-Hinnershitz and Daubert spoke about the qualifications and experience Mr. McCracken will bring to RAWA.

Councilor Goodman-Hinnershitz explained the Council rule requiring the interview of critical board, authority and commission candidates at Committee of the Whole (COW) meetings. Mr. McCracken was interviewed at the October 24th COW.

Resolution No. 82-2016 was adopted by the following vote:

Yeas: Daubert, Marmarou, Goodman-Hinnershitz, Reed, Slifko, Twyman, Waltman,
President - 7
Nays: None – 0

From the Consent Agenda:

B. Award of Contract – to Keystone Collections Group for the collection of LST, Per Capita and BPT

Councilor Daubert moved, seconded by Councilor Slifko, to award the contract to Keystone Collections Group.

The managing director explained that this RFP process began after Berks EIT notified the City that the organization would no longer performing these collection activities for the City. There were five (5) companies that applied and the proposals were reviewed by a committee composed of staff members.

Council President Waltman noted the need for the City to improve its collection of these taxes to improve the City's financial health before and after Act 47. He noted that these taxes have been historically under collected.

The award of contract was approved by the following vote:

Yeas: Daubert, Goodman-Hinnershitz, Marmarou, Reed, Slifko, Twyman, Waltman,
President - 7
Nays: None – 0

COUNCIL BUSINESS

Councilor Marmarou announced that the curb painting project in the Kelchner Field, North 14 Street and Linden Street area was postponed due to rain. The date was moved to this Saturday, October 29th at 8:30 am. He also thanked the community for supporting the annual bazaar at St Constantine and Helen church.

Councilor Daubert noted the need for each Councilor to perform due diligence when considering the contracts associated with the WWTP project. He stated that this is the costliest project the City has ever completed and he noted the need for the City to get this right. He expressed the belief that if the project is coming in over budget that the City has not gotten it right.

Councilor Slifko complimented the line painting on Penn Street.

Councilor Goodman-Hinnershitz noted the benefits of volunteerism and the need to find the balance between art, public works services and volunteerism. She described the positive improvements to City Park and the work to improve Veterans Grove. She described the upcoming Senior Expo at the Doubletree.

Councilor Twyman stated that he appreciates obtaining input from the citizens and he suggested that more citizens provide input during the budget review process. He noted the positivity of the relationship between the mayor and Council.

The mayor announced that the trick or treat safe zone will be on Washington Street between 8th and 9th Streets between 5 and 8 pm. He suggested that all citizens participate.

Councilor Reed noted the need for the City to determine the time that trick or treating is permitted within the City's neighborhoods.

Council President Waltman reviewed the upcoming Council meeting schedule.

Councilor Goodman-Hinnershitz moved, seconded by Councilor Marmarou, to adjourn the regular meeting of Council.

Respectfully submitted by Linda A. Kelleher CMC, City Clerk